

SENATE BILL 806

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B2  
SB 756/03 - B&T

2004 Regular Session  
4r2789  
CF 4r2995

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By: **Senators Jones, Conway, Hughes, and McFadden**  
Introduced and read first time: February 16, 2004  
Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Creation of a State Debt - Baltimore City - Bethel A.M.E. Museum and Cyber**  
3 **Community Center**

4 FOR the purpose of authorizing the creation of a State Debt not to exceed \$1,600,000,  
5 the proceeds to be used as a grant to the Board of Directors of Bethel Outreach  
6 Center, Inc. for certain development or improvement purposes; providing for  
7 disbursement of the loan proceeds, subject to a requirement that the grantee  
8 provide and expend a matching fund; requiring the grantee to grant and convey  
9 a certain easement to the Maryland Historical Trust; prohibiting the use of the  
10 proceeds of the loan or the matching fund for sectarian religious purposes;  
11 establishing a deadline for the encumbrance or expenditure of the loan proceeds;  
12 and providing generally for the issuance and sale of bonds evidencing the loan.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That:

15 (1) The Board of Public Works may borrow money and incur indebtedness on  
16 behalf of the State of Maryland through a State loan to be known as the Baltimore  
17 City - Bethel A.M.E. Museum and Cyber Community Center Loan of 2004 in a total  
18 principal amount equal to the lesser of (i) \$1,600,000 or (ii) the amount of the  
19 matching fund provided in accordance with Section 1(5) below. This loan shall be  
20 evidenced by the issuance, sale, and delivery of State general obligation bonds  
21 authorized by a resolution of the Board of Public Works and issued, sold, and  
22 delivered in accordance with §§ 8-117 through 8-124 of the State Finance and  
23 Procurement Article and Article 31, § 22 of the Code.

24 (2) The bonds to evidence this loan or installments of this loan may be sold as  
25 a single issue or may be consolidated and sold as part of a single issue of bonds under  
26 § 8-122 of the State Finance and Procurement Article.

27 (3) The cash proceeds of the sale of the bonds shall be paid to the Treasurer  
28 and first shall be applied to the payment of the expenses of issuing, selling, and  
29 delivering the bonds, unless funds for this purpose are otherwise provided, and then  
30 shall be credited on the books of the Comptroller and expended, on approval by the  
31 Board of Public Works, for the following public purposes, including any applicable  
32 architects' and engineers' fees: as a grant to the Board of Directors of Bethel Outreach

1 Center, Inc. (referred to hereafter in this Act as "the grantee") for the planning,  
2 design, construction, and capital equipping of the Bethel African Methodist Episcopal  
3 Museum and Cyber Community Center to show a history of the African Methodist  
4 Episcopal Church and to offer programs on technology, computers, job preparation,  
5 career advancement, and life skills, located in Baltimore City.

6 (4) An annual State tax is imposed on all assessable property in the State in  
7 rate and amount sufficient to pay the principal of and interest on the bonds, as and  
8 when due and until paid in full. The principal shall be discharged within 15 years  
9 after the date of issuance of the bonds.

10 (5) Prior to the payment of any funds under the provisions of this Act for the  
11 purposes set forth in Section 1(3) above, the grantee shall provide and expend a  
12 matching fund. No part of the grantee's matching fund may be provided, either  
13 directly or indirectly, from funds of the State, whether appropriated or  
14 unappropriated. The fund may consist of real property, in kind contributions, or funds  
15 expended prior to the effective date of this Act. In case of any dispute as to the amount  
16 of the matching fund or what money or assets may qualify as matching funds, the  
17 Board of Public Works shall determine the matter and the Board's decision is final.  
18 The grantee has until June 1, 2006, to present evidence satisfactory to the Board of  
19 Public Works that a matching fund will be provided. If satisfactory evidence is  
20 presented, the Board shall certify this fact and the amount of the matching fund to  
21 the State Treasurer, and the proceeds of the loan equal to the amount of the matching  
22 fund shall be expended for the purposes provided in this Act. Any amount of the loan  
23 in excess of the amount of the matching fund certified by the Board of Public Works  
24 shall be canceled and be of no further effect.

25 (6) (a) Prior to the issuance of the bonds, the grantee shall grant and convey  
26 to the Maryland Historical Trust a perpetual preservation easement to the extent of  
27 its interest:

28 (i) On the land or such portion of the land acceptable to the Trust;  
29 and

30 (ii) On the exterior and interior, where appropriate, of the historic  
31 structures.

32 (b) If the grantee or beneficiary of the grant holds a lease on the land  
33 and structures, the Trust may accept an easement on the leasehold interest.

34 (c) The easement must be in form and substance acceptable to the Trust  
35 and any liens or encumbrances against the land or the structures must be acceptable  
36 to the Trust.

37 (7) No portion of the proceeds of the loan or any of the matching funds may be  
38 used for the furtherance of sectarian religious instruction, or in connection with the  
39 design, acquisition, or construction of any building used or to be used as a place of  
40 sectarian religious worship or instruction, or in connection with any program or  
41 department of divinity for any religious denomination. Upon the request of the Board  
42 of Public Works, the grantee shall submit evidence satisfactory to the Board that none

1 of the proceeds of the loan or any matching funds have been or are being used for a  
2 purpose prohibited by this Act.

3 (8) The proceeds of the loan must be expended or encumbered by the Board of  
4 Public Works for the purposes provided in this Act no later than June 1, 2011. If any  
5 funds authorized by this Act remain unexpended or unencumbered after June 1, 2011,  
6 the amount of the unencumbered or unexpended authorization shall be canceled and  
7 be of no further effect. If bonds have been issued for the loan, the amount of  
8 unexpended or unencumbered bond proceeds shall be disposed of as provided in §  
9 8-129 of the State Finance and Procurement Article.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
11 effect June 1, 2004.